



General Assembly

February Session, 2012

Raised Bill No. 77

LCO No. 856

00856_____CE_

Referred to Committee on Commerce

Introduced by:
(CE)

***AN ACT CONCERNING AN UNEMPLOYED ARMED FORCES
MEMBERS SUBSIDIZED TRAINING AND EMPLOYMENT PROGRAM.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) (a) For purposes of this
2 section:

3 (1) "Department" means the Labor Department;

4 (2) "Eligible business" means a business that (A) is a Connecticut-
5 based business, (B) has been registered to conduct business in this state
6 for not less than twelve months, and (C) is in good standing with the
7 payment of all state and local taxes;

8 (3) "Control", with respect to a corporation, means ownership,
9 directly or indirectly, of stock possessing fifty per cent or more of the
10 total combined voting power of all classes of the stock of such
11 corporation entitled to vote. "Control", with respect to a trust, means
12 ownership, directly or indirectly, of fifty per cent or more of the
13 beneficial interest in the principal or income of such trust. The
14 ownership of stock in a corporation, of a capital or profits interest in a

15 partnership, limited liability company or association or of a beneficial
16 interest in a trust shall be determined in accordance with the rules for
17 constructive ownership of stock provided in Section 267(c) of the
18 Internal Revenue Code of 1986, or any subsequent corresponding
19 internal revenue code of the United States, as from time to time
20 amended, other than paragraph (3) of said Section 267(c);

21 (4) "Related person" means (A) a corporation, limited liability
22 company, partnership, association or trust controlled by an eligible
23 small business, (B) an individual, corporation, limited liability
24 company, partnership, association or trust that is in control of an
25 eligible small business, (C) a corporation, limited liability company,
26 partnership, association or trust controlled by an individual,
27 corporation, limited liability company, partnership, association or trust
28 that is in control of an eligible business, or (D) a member of the same
29 controlled group as an eligible business;

30 (5) "New employee" means a person who (A) was unemployed prior
31 to employment with an eligible business, regardless of whether such
32 person collected unemployment compensation benefits as a result of
33 such unemployment, (B) was a member of the armed forces of any
34 state or of any reserve component of the armed forces of the United
35 States and was called to active service in the armed forces of any state
36 or the United States in support of (i) Operation Enduring Freedom, or
37 (ii) military operations that were authorized by the President of the
38 United States that entail military action against Iraq, and (C) was
39 honorably discharged after not less than ninety days of service in an
40 area designated by the President of the United States by executive
41 order as a combat zone, as indicated on a military discharge document,
42 as defined in section 1-129 of the general statutes, unless separated
43 from service earlier because of a service-corrected disability rated by
44 the Veteran's Administration. "New employee" does not include a
45 person who was employed in this state by a related person during any
46 of the twelve months prior to employment with the eligible business;
47 and

48 (6) "On-the-job training" means training provided by an eligible
49 business on such business' premise.

50 (b) (1) There is established within the Labor Department an
51 Unemployed Armed Forces Member Subsidized Training and
52 Employment program for eligible businesses. Said program shall
53 provide grants to businesses to subsidize, for the first six months after
54 a new employee is hired, part of the cost of on-the-job training and
55 compensation for such new employee, in accordance with subsection
56 (c) of this section. No business receiving a grant under this section with
57 respect to a new employee may receive a second grant under this
58 section or section 31-3pp of the general statutes with respect to the
59 same person.

60 (2) The department may use up to four per cent of any funds
61 allocated pursuant to section 2 of this act, for the purpose of retaining
62 outside consultants to administer the Unemployed Armed Forces
63 Member Subsidized Training and Employment program.

64 (c) (1) An eligible business may apply to the department for a grant
65 to subsidize on-the-job training and compensation for a new employee
66 hired by such business. The department shall renew and approve such
67 business' description of the proposed on-the-job training as part of the
68 grant application.

69 (2) A grant awarded to an eligible business pursuant to this
70 subsection shall be in the following amount: (A) For the first full
71 calendar month a new employee is employed, one hundred per cent of
72 the wage of such new employee, exclusive of any benefits, not to
73 exceed twenty dollars per hour; (B) for the second and third full
74 calendar months, seventy-five per cent of such amount; (C) for the
75 fourth and fifth full calendar months, fifty per cent of such amount;
76 and (D) for the sixth full calendar month, twenty-five per cent of such
77 amount. A grant shall be cancelled as of the date the new employee
78 leaves employment with the eligible business.

79 (d) Not later than June 30, 2013, and every six months thereafter, the
80 Labor Commissioner shall provide a report, in accordance with the
81 provisions of section 11-4a of the general statutes, to the joint standing
82 committees of the General Assembly having cognizance of matters
83 relating to finance, revenue and bonding, appropriations, commerce
84 and labor. Said report shall include available data from the previous
85 six months on (1) the number of businesses that participated in the
86 Unemployed Armed Forces Member Subsidized Training and
87 Employment program established pursuant to subsection (c) of this
88 section, and the general categories of such businesses, (2) the number
89 of individuals that received employment under said program, and (3)
90 the most recent estimate of the number of jobs created or maintained
91 under said program.

92 (e) The Labor Commissioner may adopt regulations in accordance
93 with the provisions of chapter 54 of the general statutes to carry out
94 the provisions of this section.

95 Sec. 2. (*Effective July 1, 2012*) (a) For the purposes described in
96 subsection (b) of this section, the State Bond Commission shall have
97 the power, from time to time, to authorize the issuance of bonds of the
98 state in one or more series and in principal amounts not exceeding in
99 the aggregate ten million dollars, provided five million dollars of said
100 authorization shall be effective July 1, 2012.

101 (b) The proceeds of the sale of said bonds, to the extent of the
102 amount stated in subsection (a) of this section, shall be used by the
103 Labor Department for the purpose of Unemployed Armed Forces
104 Member Subsidized Training and Employment program established
105 pursuant to section 1 of this act, provided (1) five million dollars of the
106 amount stated in subsection (a) of this section shall be used in fiscal
107 year 2013 for the program established pursuant to section 1 of this act,
108 and (2) five million dollars of the amount stated in subsection (a) of
109 this section shall be used in fiscal year 2014 for the program
110 established pursuant to section 1 of this act.

111 (c) All provisions of section 3-20 of the general statutes, or the
 112 exercise of any right or power granted thereby, which are not
 113 inconsistent with the provisions of this section are hereby adopted and
 114 shall apply to all bonds authorized by the State Bond Commission
 115 pursuant to this section, and temporary notes in anticipation of the
 116 money to be derived from the sale of any such bonds so authorized
 117 may be issued in accordance with said section 3-20 and from time to
 118 time renewed. Such bonds shall mature at such time or times not
 119 exceeding twenty years from their respective dates as may be provided
 120 in or pursuant to the resolution or resolutions of the State Bond
 121 Commission authorizing such bonds. None of said bonds shall be
 122 authorized except upon a finding by the State Bond Commission that
 123 there has been filed with it a request for such authorization which is
 124 signed by or on behalf of the Secretary of the Office of Policy and
 125 Management and states such terms and conditions as said commission,
 126 in its discretion, may require. Said bonds issued pursuant to this
 127 section shall be general obligations of the state and the full faith and
 128 credit of the state of Connecticut are pledged for the payment of the
 129 principal of and interest on said bonds as the same become due, and
 130 accordingly and as part of the contract of the state with the holders of
 131 said bonds, appropriation of all amounts necessary for punctual
 132 payment of such principal and interest is hereby made, and the State
 133 Treasurer shall pay such principal and interest as the same become
 134 due.

| | | |
|---|---------------------|-------------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>from passage</i> | New section |
| Sec. 2 | <i>July 1, 2012</i> | New section |

Statement of Purpose:

To provide a subsidized training and employment program for certain members of the armed forces.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]